

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6012
BILL NUMBER: HB 1512

NOTE PREPARED: Sep 12, 2014
BILL AMENDED:

SUBJECT: Innkeeper's Tax.

FIRST AUTHOR: Rep. Brown C
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: ☒ **GENERAL**
☒ **DEDICATED**
☐ **FEDERAL**

IMPACT: State & Local

Summary of Legislation: *Lake County Convention and Visitor Bureau* - This bill requires county council review and approval of the annual budget of the Lake County Convention and Visitor Bureau. It provides that the bureau may not expend money from a fund established by the bureau unless the expenditure is in accordance with an appropriation made by the county council.

Local Tourism Agencies - The bill also provides that a member or an employee of a local tourism agency may not use certain tickets received by the local tourism agency for any purpose other than the public and corporate purposes of the local tourism agency. It provides that an individual who violates the provision commits a Class C infraction.

Effective Date: July 1, 2015.

Explanation of State Expenditures:

Explanation of State Revenues: *Local Tourism Agencies* - If additional court cases occur and infraction judgments and court fees are collected, revenue to the state General Fund may increase. The maximum judgment for a Class C infraction is \$500, which is deposited in the state General Fund. Court fees are deposited in the General Fund and the state User Fee Fund.

Explanation of Local Expenditures: *Lake County Convention and Visitor Bureau* - The bill requires the Lake County Convention and Visitor Bureau to submit its proposed budget plan to the county council for review and approval. Current law requiring the final budget to be submitted to the Department of Local Government Finance (DLGF) and Lake County Auditor remains unchanged under the bill.

The bill prohibits any expenditure by the bureau unless it is in accordance with an appropriation made by the county council. Current law provides guidelines related to expenditures from the funds managed by the bureau. (The bureau is currently required to prepare and submit a budget to the DLGF and Lake County Auditor.) However, it does not require approval by the county council.

The bill could impact expenditures by the bureau depending on the actions taken by the county council. The bureau's total expenditures were \$4.2 M in CY 2013. Under IC 6-9-2 the bureau may use money in its dedicated funds to promote and encourage conventions, trade shows, exhibitions, sporting events, special events, recreation, and visitors.

Explanation of Local Revenues: *Local Tourism Agencies* - If additional court actions are filed and a judgment is entered, local governments would receive revenue from court fees and other fees. Court fees are distributed to the county general fund and the city or town general fund. Additional fees are deposited in other funds, including the clerk record perpetuation fund and the county user fee fund.

State Agencies Affected:

Local Agencies Affected: Lake County Convention and Visitor Bureau, Lake County Council; trial courts, local law enforcement agencies.

Information Sources: Indiana Gateway for Government Units.

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